

PERSONNEL

Caldwell Takes Over As ASAALT MILDEP And Army Acquisition Corps Director

LTG John S. Caldwell Jr., former Commanding General (CG) of the U.S. Army Tank-automotive and Armaments Command, has assumed new duties as Military Deputy (MILDEP) to the Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASAALT) and Director, Army Acquisition Corps. He succeeds LTG Paul J. Kern, who has received his fourth star and taken over as CG, Army Materiel Command (AMC).

With more than 30 years of Active military service, Caldwell has served previous tours as AMC's Deputy Chief of Staff for Research, Development and Acquisition (RD&A); Director, Army Digitization Office, Office of the Chief of Staff of the Army; Assistant Deputy for Systems Management, Office of the Assistant Secretary of the Army for RD&A; and Military Assistant, Major Weapons

Systems Acquisition, Office of the Under Secretary of Defense (Acquisition Reform).

Caldwell has an M.S. degree in mechanical engineering from Georgia Institute of Technology and a B.S. degree from West Point. In addition, he has attended the Industrial College of the Armed Forces and the U.S. Army Command and General Staff College, and has completed the Armor Officer Basic and Advanced Courses.

Listed among Caldwell's military honors are the Silver Star, the Defense Superior Service Medal, the Legion of Merit with Oak Leaf Cluster (OLC), the Bronze Star Medal, the Meritorious Service Medal with OLC, the Air Medal, the Army Commendation Medal with OLC, the Army Achievement Medal, and the Ranger Tab.

ACQUISITION EXCELLENCE

Service Acquisitions

The Army spends almost as much on the acquisition of services as it does on equipment. In fact, the *FY 2000 Army Contracting Summary* data indicate that services account for 36 percent of total contract actions and 30 percent of contract dollars. As a result, increased emphasis has been placed on the acquisition of services. To excel in service acquisition, the Army is focusing on performance-based service acquisition and better training for the acquisition workforce.

The importance of the Army's performance-based service acquisition (PBSA) strategy was emphasized in June 2000. At that time, the Deputy Assistant Secretary of the Army for Procurement (DASA(P)) directed the major commands (MACOMs) and the Principal Assistants Responsible for Contracting (PARCs) to accomplish 50 percent PBSA service acquisitions by 2005 and ensure that the core contracting workforce complete PBSA training by the end of 2001. In November 2000, the Acting DASA(P) directed that the MACOMs develop one or more Centers of Excellence in Service Contracting to act as a clearinghouse by soliciting, identifying, consolidating, organizing, and disseminating best practices in service contracting.

Effective Oct. 1, 2001, the Army Federal Acquisition Regulation was changed to require that all solicitations

for services be performance-based and price-fixed.

One-time deviations with adequate written justification may be granted by the PARCs up to \$1 million, by the Head of Contracting Activity up to \$10 million, and by the DASA(P) for more than \$10 million. In addition, DD Form 350, *Individual Contract Action Report*, was revised to collect PBSA information. DD 350 instructions indicate that for a contract action to be classified as PBSA, the contract value must exceed \$100,000. For consistency, the Army's stated PBSA goal of a minimum 50 percent of dollars and actions by 2005 is based on a \$100,000 threshold, and the PBSA usage metrics are based on DD Form 350 criteria.

In summary, the increasing significance of service contracting has prompted increased emphasis on performance-based service contracts which, if properly implemented, should result in reduced prices and improved Army performance. However, moving to these types of contracts will not be easy. The success of using performance-based contracts will depend on the extent to which the Army provides the necessary training, guidance, and tools to the acquisition workforce and establishes metrics to monitor the results of the use of these contracts.